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February 4, 2000

Via Hand-Delivery

K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

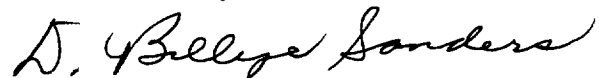
Re: Application of SBC Telecom, Inc. for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Competing Local Exchange and Interexchange Telecommunications Services within the State of Tennessee; Docket No. 00-00025
Responses to Data Requests

Dear Mr. Waddell:

Enclosed you will find the original and thirteen (13) copies of the Responses of SBC Telecom, Inc. to the staff's data requests. These responses include the company's pre-filed testimony. The response to Question 3 is contained in Attachment 2, which consists of **confidential** financial statements that are filed under seal. We respectfully request that these documents be treated as confidential and not disclosed to the public.

Please contact me if you need additional information.

Sincerely,



D. Billye Sanders

DBS:lmb
w/Enclosures

cc: Thomas W. Hartmann, Esq.
William A. Adams, Esq.
Thomas W. Troll
Mart Ortlieb, Esq.

POSTED
2-7-2000

RESPONSES TO DATA REQUESTS TO SBC TELECOM, INC
IN DOCKET NO. 00-00025, SUBMITTED FEBRUARY 4, 2000

- Q1. Please provide a sworn pre-filed testimony signed by an executive of SBC Telecom, Inc. and notarized. The testimony should describe the services to be provided, the applicant's technical, managerial, and financial abilities to provide the services and affirm that all information submitted is true and correct. This is needed prior to obtaining hearing date.
- A1. See Attachment 1 for the testimony of Kevin M. Chapman.
- Q2. Will applicant require the customer to provide any equipment that is not required by the ILEC?
- A2. No, SBC Telecom will not require customers to provide any equipment not required by the ILEC.
- Q3. Please provide projected financial statements for SBC Telecom, Inc. for 2000, 2001, 2002 inclusive of balance sheets, income statements, and statements of cash flow.
- A3. The balance sheets, income statements, and statements of cash flow for 2000-2002 are attached as Attachment 2. These financial statements are CONFIDENTIAL and are filed under seal. SBC Telecom requests that these documents be treated as confidential and not be disclosed outside the Authority.
- Q4. Please provide estimated cost of network, switches, and unbundled elements.
- A4. The current operating cost estimates for SBC Telecom's operations in Tennessee are \$19 Million. Negotiations with BellSouth for unbundled network elements have not been completed.
- Q5. Please provide a capital expenditures budget for 2000, 2001, 2002 including equipment to be deployed, and cost of equipment.
- A5. The current capital expenditure estimates for SBC Telecom's operations in Tennessee are \$17 Million in 2001 and are \$4 Million in 2002. SBC Telecom will be installing state-of-art equipment manufactured by Lucent Technologies, including CBX 500 data switches and 5 ESS voice switches.
- Q6. Will customer deposits be required? If so, amount required?

- A6. Yes, customer deposits may be required based on results from customer credit inquiry. However, the deposit required as a condition of service will not exceed the equivalent of the customer's estimated monthly charges for a two-month period.
- Q7. Please provide a chart showing the applicant's corporate structure.
- A7. See the organizational chart in Attachment 3. SBC Telecom estimates that over 100 employees will reside in Tennessee when our markets become fully operational.
- Q8. Identify all complaints filed with regulatory agencies involving your company or affiliated entities within the past six (6) months. Identify the nature of the complaint, which governmental agency or office received the complaint, how was the complaint resolved?
- A8. Pursuant to discussions with Staff, the scope of the answer has been narrowed to a 30 day period and three (3) representative states. The following are the complaints filed against Ameritech-Ohio, Southwestern Bell-Missouri, and Nevada Bell for the 30 Day period beginning December 20, 1999.

Affiliate	Complaint	Resolution
Ameritech-Ohio	While no complaints were filed in the reporting period, the next previous complaint, Case No. 99-1556-TP-CSS was filed by Ms. Debra Musacchia on November 30, 1999 regarding a three week delay for service to her new apartment. The customer was seeking restitution for cellular phone calls made during the service delay.	Ameritech-Ohio responded to the complaint stating that the scheduled installation date of August 31, 1999 was delayed due to unavailable facilities. Facilities were placed and service installed on September 13, 1999. Customer was reimbursed for one-third of her cellular charges during the delay.
SWBT-Missouri	Complaint (Case No. TC-2000-375) was filed by Modern Telecommunications, Co., Northeast Missouri Rural Telephone, Co., Mid-Missouri Telephone, Co., and MoKan Dial, Inc. on December 20, 1999 with the Public Service Commission of Missouri. Complainants are seeking access charges on intraMTA (Metropolitan Trading Area) wireless traffic.	Pending—SWBT filed its response January 27, 2000 opposing this complaint because it is in conflict with FCC rules.

- Nevada Bell
- | | |
|--|---|
| 1) Complaint CCU-122999-DJ was filed on December 29, 1999 by Mary & Warren Bowen regarding a delay in obtaining phone service on an additional line. | 1) Expedited installation for additional line which was installed January 21, 2000. Customer received 3-month basic service credit. |
| 2) Complaint CCU-122999-ND was filed on December 29, 1999 by Dan Anderson regarding installation charges for four lines when only two were available to be installed and the incorrect assignment of AT&T as the intraLATA carrier when the customer selected Nevada Bell. | 2) The intraLATA carrier was changed to Nevada Bell, AT&T charges for intraLATA calls were waived and credits for the two lines not installed were given to the customer. |
| 3) Complaint CCU-012100-DJ was filed on January 20, 2000 by Arthur Tange regarding slow release of circuit when phone is hung-up. | 3) Pending. |

Q.9 Does any financial information include any amounts relating to reciprocal compensation? Please also give the details if the answer is yes.

A.9 None of the financial information reflected in confidential Attachment 2 contains amounts relating to the payment or receipt of reciprocal compensation on traffic exchanged with other telecommunications carriers.

ATTACHMENT 1

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE: APPLICATION)
OF SBC TELECOM, INC. FOR A)
CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY)
TO PROVIDE FACILITIES-BASED)
AND RESOLD COMPETING LOCAL)
EXCHANGE AND INTEREXCHANGE)
TELECOMMUNICATIONS SERVICES)
WITHIN THE STATE OF TENNESSEE)

DOCKET NO. 00-00025

PREFILED TESTIMONY OF
KEVIN M. CHAPMAN

SBC Telecom, Inc.

February 2, 2000

1 Q. Please state your name and business address.

2 A. Kevin M. Chapman, 175 E. Houston Street, Room 4-R-06, San Antonio, Texas
3 78205.

4 Q. By whom are you employed ?

5 A. SBC Telecom, Inc. ("SBC Telecom") as Director-Regulatory Relations. SBC
6 Telecom is a wholly owned subsidiary of SBC Communications Inc. ("SBC").

7 Q. Are you authorized to make these statements on behalf of SBC Telecom?

8 A. Yes, I am. My testimony is true and correct to the best of my knowledge,
9 information and belief.

10 Q. Why does SBC Telecom submit this Application?

11 A. SBC Telecom submits this Application for an Order granting SBC Telecom a
12 Certificate of Convenience and Necessity ("Certificate") which would allow the
13 company to provide facilities-based and resold competitive local and
14 interexchange telecommunications services in the State of Tennessee.

15 Q. What areas of Tennessee does SBC Telecom intend to serve?

16 A. SBC Telecom initially intends to serve customers that are located in the
17 exchanges of BellSouth Telecommunications Inc. ("Bell South") within the
18 Nashville and Memphis Metropolitan Statistical Areas, but is seeking authority to
19 serve customers in any areas that are now or subsequently will become open to
20 competition under federal and Tennessee law.

1 Q. What is the legal name, principal business address, phone number, fax number,
2 and e-mail address of SBC Telecom?

3 A. SBC Telecom, Inc., 175 E. Houston Street, San Antonio, Texas 78205, Attn: Vice
4 President and General Counsel, (210) 351-3427 (telephone), (210) 351-3630
5 (fax), thartma@corp.sbc.com (e-mail).

6 Q. What is the name, address and telephone number of SBC Telecom's corporate
7 contact?

8 A. I am the corporate contact for SBC Telecom. My address and telephone number
9 are: 175 E. Houston Street, Room 4-R-06, San Antonio, Texas 78205, (210)
10 351-5093 (telephone).

11 Q. What is SBC's National-Local Strategy?

12 A. When SBC announced its proposed merger with Ameritech Corporation
13 ("Ameritech"), SBC pledged to compete as a local exchange service provider in
14 out-of-region markets because the merged company would have the scale and
15 scope necessary to allow it to compete effectively. On October 8, 1999, SBC
16 completed its merger with Ameritech, subject to conditions the Federal
17 Communications Commission ("FCC") imposed in CC Docket No. 98-141. One
18 of those conditions is that SBC compete out of its traditional local exchange area
19 by offering facilities-based local service in 30 out-of-region markets. (SBC's in-
20 region markets include Arkansas, California, Connecticut, Illinois, Indiana,
21 Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas and Wisconsin.)

1 SBC's effort to become a nationwide provider of competitive local
2 exchange service is known as the National-Local Strategy. As part of its
3 National-Local Strategy, SBC Telecom is filing this Application as a non-
4 dominant carrier seeking a Certificate to provide competitive local exchange and
5 interexchange services in the State of Tennessee. This Application is one of
6 several which SBC Telecom either has filed or will file across the nation to
7 execute the National-Local Strategy. The implementation of the strategy will
8 provide significant benefits to the State of Tennessee, its economy and its
9 telecommunications industry, as well as to business and residential customers.

10 Q. Please describe SBC Telecom's corporate authority.

11 A. SBC Telecom is a corporation created and existing under the laws of the State of
12 Delaware. Copies of SBC Telecom's Articles of Incorporation and Certificate of
13 Authority to Transact Business in the State of Tennessee are attached as Exhibit
14 A to the Application.

15 Q. What is the name and address of the contact person responsible for customer
16 service, repairs, and maintenance?

17 A. SBC Telecom's contact person responsible for customer service, repairs, and
18 maintenance is Jacqueline Luzier, Executive Director-Customer Care, SBC
19 Telecom, Inc., 5850 W. Las Positas, Room 756, Pleasanton, California 94588,
20 (925) 468-5390 (telephone), (925) 468-4724 (fax), jl1758@pbcomm.com (e-mail)

21 Q. Does SBC Telecom have a toll free customer service number?

1 A. While not in service yet, the following or similar toll-free customer service
2 numbers will be activated prior to SBCT becoming operational. The numbers are
3 877-430-SBCT for English speaking customers and 877-418-SBCT for Spanish
4 speaking customers. Both numbers will be available for customers to call 7 days
5 a week, 24 hours per day.

6 .Q. What are the names and addresses of SBC Telecom's officers and directors?

7 A.

Ronald L. Blake
President and Director
111 Soledad
San Antonio, Texas 78205

Paul R. Roth
Vice President
111 Soledad
San Antonio, Texas 78205

Patricia Diaz Dennis
Senior Vice President-Regulatory and
Public Affairs
175 East Houston Street, Room 5-A-50
San Antonio, Texas 78205

Roger Wohler
Vice President & Treasurer
175 East Houston Street
San Antonio, Texas 78205

Timothy Harden
Vice President, Operations
111 Soledad
San Antonio, Texas 78205

James DeVries
Vice President of Human Resources
111 Soledad
San Antonio, Texas 78205

Thomas W. Hartmann, Esq.
Vice President, General Counsel
and Secretary
175 East Houston Street, Room 1256
San Antonio, Texas 78205

Stan Sigman
Director
175 East Houston Street, Room 1300
San Antonio, Texas 78205

Mark Boright
Vice President & Chief Financial Officer
111 Soledad
San Antonio, Texas 78205

Wayne Watts
Director
175 East Houston Street, Room 1146
San Antonio, Texas 78205

8 Q. Are these officers responsible for Tennessee operations?

1 A. Yes.

2 Q. What services does SBC Telecom intend to offer?

3 A. The local and interexchange services SBC Telecom plans to offer include voice
4 and data services to business and residential customers. As part of its local
5 exchange service offering, SBC Telecom will provide customers access to 9-1-1
6 and E-9-1-1 emergency services; white pages and directory assistance; consumer
7 access to and support for the Tennessee Relay Center in the same manner as the
8 incumbent local exchange telephone companies; free blocking for 900, 976 type
9 services in accordance with Tennessee Regulatory Authority ("TRA") policy;
10 Lifeline and Link-up services to qualifying customers; and educational discounts
11 in existence as of June 6, 1995. SBC Telecom will also provide operator call
12 completion services, access to interexchange carriers, and custom calling features.

13 The services to be offered will be set forth in the final tariff.

14 Q. When will the final tariff be filed?

15 A. SBC Telecom will file a final tariff after it completes its network implementation
16 strategy and obtains requisite interconnection agreements and before beginning
17 service.

18 Q. In what other jurisdictions does SBC Telecom provide service?

19 A. SBC Telecom currently is not providing service in any jurisdiction.

20 Q. Has SBC Telecom received authority to provide service in any jurisdiction?

1 A. Yes, SBC Telecom has received authority to offer local services in the
2 Commonwealth of Massachusetts, the District of Columbia and the States of
3 Florida and Washington.

4 Q. Has SBC Telecom been denied authority in any state?

5 A. No.

6 Q. Please describe SBC Telecom's financial capabilities.

7 A. SBC Telecom has the financial resources to provide competitive local exchange
8 and interexchange service in the State of Tennessee. SBC Telecom will receive
9 funding to begin operations in Tennessee from its parent company, SBC.
10 Attached to the Application as Exhibit B is the SBC 10-Q report for the third
11 quarter of 1999, which includes pro forma combined SBC/Ameritech financial
12 information. SBC's pro forma consolidated 1998 operating revenues, including
13 the results from Ameritech, were approximately \$46 billion, with a net income of
14 over \$7.6 billion. SBC's pro forma income statements and balance sheets appear
15 beginning on page 27 of that report. SBC financial information exclusive of
16 Ameritech results is contained in SBC's 1998 Annual Report and SEC Form 10-
17 K, which is attached to the Application as Exhibit C.

18 Q. Please describe SBC Telecom's managerial capabilities.

19 A. SBC Telecom's parent corporation, SBC, is a holding company whose
20 subsidiaries and affiliates operate predominantly in the communications services
21 industry and have provided telecommunications services for over 100 years.

1 SBC's subsidiaries and affiliates provide landline telecommunications and related
2 services in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan,
3 Missouri, Nevada, Ohio, Oklahoma, Texas and Wisconsin; wireless
4 telecommunications and related services in these states, as well as Delaware,
5 Hawaii, Maryland, Massachusetts, Minnesota, New York, Pennsylvania, Rhode
6 Island, Virginia, and Washington, D.C; and security and monitoring services in
7 most of the United States' largest metropolitan areas. SBC has investments in
8 telecommunications companies that serve selected markets outside of the United
9 States, including Belgium, Canada, Denmark, France, Switzerland, Hungary,
10 Mexico, Puerto Rico, South Africa, and Taiwan, among others. SBC also has
11 investments in Israel, through which it provides cable TV, directory publishing,
12 long distance and software development.

13 SBC Telecom's executive officers have been recruited from SBC and its
14 affiliates, and are among its key managers with considerable experience in the
15 telecommunications industry, including operations, interconnection, network,
16 marketing, sales, finance, regulatory and legal issues.

17 Q. Please provide a synopsis of Ronald L. Blake's experience.

18 A. Ronald L. Blake, President, began his career as an Assistant Staff Manager of
19 Revenue Requirements for Wisconsin Bell in 1979. From 1981 to 1988, he held
20 several management assignments in investment research, financial planning,
21 corporate accounting and consumer marketing for AT&T, Ameritech and

1 Wisconsin Bell. He was promoted to Assistant Vice President of Marketing for
2 Wisconsin Bell in 1988.

3 In 1990, Mr. Blake moved to Ameritech Services to become Assistant
4 Vice President of Consumer and Small Business Marketing. He served as Vice
5 President and Treasurer for Ameritech from 1992 to 1994. Following this
6 appointment, he became President of Long Distance Industry Services, where he
7 served until 1995. In 1995, Mr. Blake was promoted to President of Enhanced
8 Business Services, and also served as President of Small Business Services from
9 December 1997 to June 1998. Mr. Blake became President of Ameritech General
10 Business Services in July 1998, where he was responsible for providing retail
11 telecommunications products and services. He was appointed to his current
12 position following the merger of SBC and Ameritech.

13 Q. Please provide a synopsis of Patricia Diaz Dennis's experience.

14 A. Mrs. Dennis, Senior Vice President-Regulatory and Public Affairs, joined SBC in
15 1995 as Senior Vice President and Assistant General Counsel for regulation and
16 law, representing and advising SBC in the areas of state, federal and international
17 law and regulatory policy. In her present position, she is responsible for SBC's
18 national constituency relations and regulatory, legislative, governmental, external
19 affairs and industry relations activities for SBC Telecom. Before joining SBC,
20 Mrs. Dennis was appointed to the Federal Communications Commission by
21 President Reagan and served as a commissioner from 1986 to 1989. Mrs. Dennis

1 also was appointed by President Reagan to serve on the National Labor Relations
2 Board. President Bush appointed her Assistant Secretary of State for Human
3 Rights and Humanitarian Affairs in 1992. Her experience in the telephone
4 industry includes her legal practice as Special Counsel for Communications
5 Matters in Sullivan & Cromwell's Washington, D.C. office, as well as Partner and
6 Head of the Communications Law Section for the D.C. office of Jones, Day,
7 Reavis & Pogue. Mrs. Dennis was also Vice President for Government Affairs
8 for Sprint Corporation from 1991 to 1992.

9 Q. Please provide a synopsis of Timothy Harden's experience.

10 A. Mr. Harden, Vice President, Operations, has over 18 years of telecommunications
11 experience and is responsible for the design, development and deployment of the
12 network and systems necessary to support SBC Telecom's competitive local
13 exchange activities. He also is responsible for the day-to-day operations. SBC
14 Telecom represents Mr. Harden's third "start up" endeavor. He was involved in
15 the start up of PacTel Business Systems as Chief Operating Officer and later as
16 President and CEO. More recently, he served as Vice President & Chief
17 Operating Officer of the Pacific Telesis broadband effort in California where he
18 was responsible for all of the operations of that \$5 billion effort, including
19 network engineering, design and construction; customer care centers; and systems
20 design and implementation. Mr. Harden gained broad telecommunications
21 experience in a series of executive assignments with Pacific Telesis Group and

1 SBC, most recently as Vice President and General Manager of SBC's Industry
2 Operations where he had responsibility for all wholesale operations for access and
3 local (CLEC) customers. Also, he previously served as Vice President and
4 General Manager of Industry Markets, and Vice President and General Manager
5 of the Pacific Bell North Coast Regional Business Unit. Other assignments have
6 included work in operations, special services, customer service, and switching in
7 both Northern and Southern California.

8 Q. Please provide a synopsis of Thomas W. Hartmann's experience.

9 A. Mr. Hartmann, Vice President and General Counsel, has been employed as an
10 attorney with SBC since 1995. With SBC, he has served in positions involving
11 litigation, mergers and acquisitions, and international operations. In his present
12 position, Mr. Hartmann is responsible for all legal representation of SBC Telecom
13 throughout the country. Before joining SBC, Mr. Hartmann was on active duty in
14 the United States Air Force where he served as the Chief Prosecutor in the Far
15 East. Mr. Hartmann remains a Colonel in the U.S. Air Force Reserves. He also
16 worked as a litigation associate with the law firm of Bryan Cave in St. Louis,
17 Missouri from 1991 to 1995.

18 Q. Please provide a synopsis of Mark Boright's experience.

19 A. Mr. Boright, Vice President and Chief Financial Officer, joined the SBC family of
20 companies in 1991 and assumed the responsibility of Vice President and Chief
21 Financial Officer of the Cellular One Wireless property in Chicago. Before

1 joining SBC, Mr. Boright fulfilled various management and leadership positions
2 for GTE Mobile Communications and GTE Mobilnet in the area of finance. In
3 1996, Mr. Boright was appointed Vice President and Chief Financial Officer
4 Southwestern Bell Mobile Systems in Dallas, Texas. Most recently Mr. Boright
5 was named Vice President-Chief Financial Officer of SBC Telecom.
6 Collectively, he possesses over 18 years of financial, accounting and business
7 experience.

8 Q. Please provide a synopsis of Paul Roth's experience.

9 A. Mr. Roth, Vice President, began his career with Southwestern Bell Telephone in
10 1981, and has held numerous positions involving outside plant and central office
11 responsibilities. In 1992 he was appointed Director of Operations, and in 1995 he
12 was appointed Vice President and General Manager/Southwestern Bell Wireless.
13 Mr. Roth was appointed President and General Manager, Cellular One, Boston in
14 1997. Following this appointment, Mr. Roth was appointed as Vice President of
15 Consumer Sales and Services (Midwest) of Southwestern Bell Telephone. He
16 currently serves as Vice President, SBC Telecom. In this role, Mr. Roth is
17 responsible for the direction of the sales initiatives in the SBC Telecom markets
18 and directs the efforts of the customer care functions throughout SBC Telecom's
19 30 market region.

20 Q. Please provide a synopsis of Roger W. Wohlert's experience.

1 A. Mr. Wohler, Vice President and Treasurer, began his career with Southwestern
2 Bell Telephone Company in 1962 upon graduation from the University of
3 Missouri-Columbia. He has held various positions with the company's
4 Comptroller and Treasury Department in Missouri and Texas, and worked in the
5 Treasury Department of AT&T in New York for three years. He was named an
6 Assistant Treasurer of Southwestern Bell Telephone Company in 1974. In 1984,
7 Mr. Wohler was appointed Assistant Treasurer-Corporate Finance for
8 Southwestern Bell Corporation, and in April 1988 appointed Managing Director-
9 Finance and Assistant Treasurer. In addition, Mr. Wohler holds the position of
10 Treasurer in various subsidiaries, including Southwestern Bell Telephone
11 Company, Pacific Bell, SBC International, Inc. and SBC Telecom.

12 Q. Please provide a synopsis of James DeVries' experience.

13 A. Mr. DeVries, Vice President of Human Resources, has extensive experience in
14 human resources administration both inside and outside of the
15 telecommunications industry. Mr. DeVries joined Ameritech more than 4 years
16 ago. His most recent assignment with Ameritech was as Vice President of Human
17 Resources and Corporate Services. In this role, Mr. DeVries was responsible for
18 procurement, logistics, human resources, training, fleet management, and real
19 estate for Ameritech's security monitoring subsidiary. Prior to joining Ameritech
20 Mr. DeVries held positions with the Quaker Oats Company, Leaf Inc., and
21 Andrew Corporation. His experience in these positions includes assignments in

1 compensation, employee relations, training, staffing, labor relations, equal
2 employment opportunity/affirmative action and organization development. In
3 total, Mr. DeVries has 15 years of experience in human resources and employee
4 development.

5 Q. Please describe SBC Telecom's technical capabilities.

6 A. SBC Telecom possesses the technical expertise to provide competitive local
7 exchange and interexchange services in the State of Tennessee. SBC Telecom is
8 staffing its operations with employees who have a broad range of experience and
9 expertise in provisioning facilities and services. These employees will build,
10 acquire or obtain access to the network and systems necessary to provide local
11 exchange, interexchange and related services, and will develop the product
12 distribution channels and service strategies to enable SBC Telecom to compete
13 successfully. Timothy Harden, SBC Telecom's Vice President of Operations,
14 will lead SBC Telecom's technical staff.

15 Evaluation of customer expectations, economic analyses, vendor and
16 service provider negotiations and other critical discussions are underway to
17 determine the optimal network implementation strategy. SBC Telecom
18 anticipates that these analyses and negotiations will produce an initial network
19 implementation strategy consisting of some combination of (1) deploying its own
20 network infrastructure; (2) leasing capacity from other network providers; (3)
21 strategic partnership agreements with other service providers; and/or (4)

1 combining unbundled network elements and some resale of telecommunications
2 services from incumbent local exchange carriers.

3 The network infrastructure and design are expected to consist of voice
4 switching equipment; data switching and routing equipment; fiber transport;
5 customer access equipment; service platforms (i.e., network features and
6 functions that allow the provision of custom services); operations support systems
7 (OSS); billing and customer care infrastructure; as well as adjunct infrastructure
8 such as floor space, power equipment, interface equipment, and alarm and
9 monitoring equipment. SBC Telecom will direct and control, as much as
10 possible, the provision and use of facilities, including network elements, whether
11 they are owned, leased or otherwise obtained to ensure the high level of service
12 quality, technical excellence, and overall customer satisfaction which SBC
13 provides in the markets it serves.

14 Q. Has SBC Telecom filed a plan for small and minority-owned telecommunications
15 business participation?

16 A. Yes. Pursuant to the requirements of T.C.A. § 65-5-212, SBC Telecom has
17 presented its Small and Minority-Owned Telecommunications Business
18 Participation Plan in its Application, attached as Exhibit E.

19 Q. Does SBC Telecom hold any franchises from any local government in Tennessee
20 for the provision of telecommunications services?

1 A. No. However, SBC Telecom will, as necessary, obtain such local franchises,
2 permits or licenses in accordance with applicable law, and submit such franchises
3 to the TRA for approval pursuant to T.C.A. § 65-4-107.

4 Q. With what carriers will SBC Telecom interconnect?

5 A. SBC Telecom will enter into interconnection agreements with BellSouth and
6 other carriers as needed, and will seek approval of such agreements by the TRA.

7 Q. What is SBC Telecom's plan to provide equal access to its network to certified or
8 TRA authorized carriers?

9 A. SBC Telecom will provide equal access to its network to certified or TRA
10 authorized carriers as set forth in its IntraLATA Toll Dialing Parity Plan, attached
11 as Exhibit F to its Application.

12 Q. What accounting system will SBC Telecom use?

13 A. SBC Telecom will maintain its books and records in accordance with Generally
14 Accepted Accounting Principles ("GAAP").

15 Q. Has notice of the Application been served on all incumbent local exchange
16 carriers certified to provide service in the State of Tennessee?

17 A. Yes. Notice of the Application been served on all incumbent local exchange
18 carriers certified to provide service in the State of Tennessee as provided to SBC
19 Telecom by the TRA and listed in the Notice of Filing of Application, which is
20 attached to the Application as Exhibit G.

1 Q. Do you affirm that in rendering local services, SBC Telecom, Inc. will comply
2 with all applicable Orders, rules, and regulations entered and adopted by the
3 TRA?

4 A. Yes, I do.

5 Q. Does this conclude your testimony?


6 A. Yes.

7

8

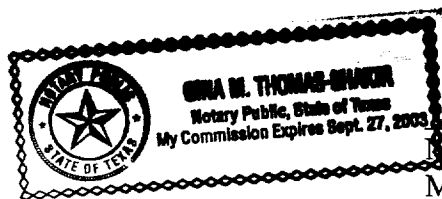
VERIFICATION

I, Kevin M. Chapman, declare under penalty of perjury that I am authorized by SBC Telecom, Inc. to testify on its behalf, that I have caused the foregoing written testimony to be prepared on my behalf, that I have read the foregoing testimony and that the statements contained therein are true and correct to the best of my knowledge, information and belief.


Kevin M. Chapman
Director-Regulatory Relations
SBC Telecom, Inc.

STATE OF TEXAS)
)
COUNTY OF BEXAR)

Sworn to and subscribed before me this 3rd day of February, 2000.




Notary Public
My Commission Expires: September 27, 2003

ATTACHMENT 2
Confidential

ATTACHMENT 3

**SBC COMMUNICATIONS INC.
FIRST-TIER SUBSIDIARIES**

